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CHINA INVESTMENT AND FINANCE GROUP LIMITED

中國投融資集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1226)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Inside Information Provisions under Part XIVA of the SFO and Rule 13.09(2)(a) of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors that, based on the preliminary assessment of the Group's unaudited management accounts for the year ended 31 March 2021 and information currently available to the Board, the Group is expected that the unaudited consolidated net profit for the year ended 31 March 2021 was recorded, as compared to audited consolidated net loss for the year ended 31 March 2020.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by China Investment and Finance Group Limited (the "Company" and together with its subsidiaries, the "Group") pursuant to Inside Information Provisions (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules")) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") and Rule 13.09(2)(a) of the Listing Rules.

The board of directors (the "Board") of the Company wishes to inform the shareholders of the Company (the "Shareholders") and potential investors that, based on the preliminary assessment of the Group's unaudited management accounts for the year ended 31 March 2021 (the "Current Year") and information currently available to the Board, the Group is expected that the unaudited consolidated net profit for the Current Year was recorded as compared to audited consolidated net loss for the year ended 31 March 2020 (the "Last Year") as set out in the 2019/20 annual report of the Company. Such change is mainly attributable to the change in performance of the Group's listed investments and the expected credit loss assessment. The Group recorded net loss on listed investments of approximately HK\$80.1 million in the Last Year, while net gain on listed

investments of approximately HK\$20.0 million was recorded in the Current Year. In relation to the expected credit loss assessment, the Group recorded impairment losses of approximately HK\$17.0 million in the Last Year, while reversal of impairment losses is recorded in the Current Year. Taking into account of fair value change on unlisted investments and administrative and other expenses, the Group expects net profit of not more than HK\$10.0 million would be recognised the Current Year.

The information contained in this announcement is only based on the preliminary assessment made by the Board with reference to the unaudited management accounts of the Group for the Current Year and information currently available and such information has not been audited or reviewed by the Company's auditor and is subject to possible adjustments upon their further review. The actual financial results for the Current Year may be different from the information disclosed in this announcement. Shareholders and potential investors are advised to read carefully the final results announcement of the Company for the Current Year which is expected to be issued on 25 June 2021.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
CHINA INVESTMENT AND FINANCE GROUP LIMITED
CHAN Cheong Yee
Executive Director

Hong Kong, 21 June 2021

As at the date of this announcement, the Board comprises Mr. CHAN Cheong Yee as executive Director; Mr. WU Qi and Mr. FONG On Shek as non-executive Directors; and Mr. LUK Simon, Ms. LIU Xiaoyin and Mr. HON Leung as independent non-executive Directors.